

## WASATCH MOUNTAIN RAILWAY & DEVELOPMENT COMPANY

P. O. BOX 69 HEBER CITY, UTAH, 84032

February 15, 1971

Dear Stockholder,

We are enclosing a copy of our minutes for the stockholders meeting held Saturday, March 13 at Lowe's office. I would like to bring your attention to the three highlights of this meeting:

1. Annual stockholder meeting to be on April 3, 1971 in Heber City; Purpose: to approve by-laws, copies of which each stockholder should have, election of all officers for the coming year, election of board of directors. We will confirm the time and place at a later date.
2. Motion stating that all stockholders who have not paid their pledges must either do so within 10 days or have an interest bearing note payable to the company in the hands of our attorney, Harold Call by that date. This policy was established to make the risk equal to all.
3. Future financing prior to going public. Notice motion covering this. We will do as the Board has said and report the outcome at the April meeting. We know we will not need additional financing prior to around June, but feel we should be prepared long before the need arises. Also, I will check with advisors on the best interim financing method in relation to prospectus.

We will attempt to bring in all equipment prior to the April 1 deadline to live up to our commitment with the State Road Commission.

If there are any questions from those who missed the stockholders meeting please call me.

Very truly yours,



Lowe Ashton

LA:mg

THE IRON HORSE TRAIL TO THE ALPS OF UTAH



Minutes of the February 13, 1971 meeting of the Wasatch Mountain Railway and Development Company held at the office of Ashton Oil and Transportation.

Those present were Lowe Ashton, Del Wallengren, Wes Budd, Dr. Jack Boggess, Dr. Raymond Green, Ed McLaughlin, Don Hoggan, Harold Call and Leon Ritchie.

The meeting was called to order by President Lowe Ashton. He reported on the recent legislative action which passed Resolution # 16. This required the Utah State Road Commission to transfer the railroad right of way to the State Parks Commission. It was also reported that the Governor stated that the Company could not purchase land in the Charleston area.

A legal report was given by Harold Call. Copies of the by-laws were given to each stockholder to study in order that they may be acted upon at the General Stockholders meeting on April 3, 1971. The possibility of increasing the number of stockholders from 10 to 25 without going public was discussed. There would have to be more research made on the matter. Leases have been signed with the Wasatch Railway Museum and Foundation for the use of the equipment. The Operating Company has extended them monies in order to get the proper equipment into Heber City. This money will be replaced by applying it against the ticket sales percentage payment. There have been some problems with Dr. Anderson and his share of the equipment. Leases have been signed however.

Harold Call also reported on right of way problems in the canyon. Often if the railroad is abandoned, private ownership along each side acquires the right of way. However, from the dam down the land owners do not have title to the ground. A title search was made and the Federal Government retained some title to the right of way around Deer Creek Reservoir's dam site, but the railroad company had fee title to the balance of the right of way to Heber City and apparently for the balance of the line to Olmstead.

\* The motion was made that the title company confirm the title in order to be certain that the State Park has fee title to the track below the dam to Olmstead. The motion was moved by Dr. Raymond Green, seconded by Leon Ritchie, all approve.

It was also brought to the attention of the stockholders that nothing should be done to agitate the State Road Commission, their help is still needed.

Ed McLaughlin gave a report on equipment expenditures. The # 35 is Scotia, California is loaded and ready for shipment at a cost of approximately \$2,000.00, freight will be about \$3,500.00. The #110 is almost finished for movement. The Operating Company wants to purchase 2 box cars, a flat car and a crane. The crane has a 25 ton capacity and is to be quoted at F.O.B. the track or Heber City. There is a possibility that a clam shell will also be available in the arrangement. A combine car, (combination baggage and passenger car) is a donation from the Union Pacific. After taking a trip to Hillfield, the possibility of bidding on engines or cars located there was discussed.

- \* The motion was made that the Operating Company purchase 2 box cars at \$1,000.00 each and also submit a bid on a flat car. The amount of the bid is to be \$251.50. The motion was moved by Dr. Jack Boggess and seconded by Don Hoggan, all approve.

The museum in Corrin was discussed and it was pointed out that the Utah Historical Society owns the equipment and they are disappointed in the way the Foundation is taking care of it. The possibility of getting the Foundation to relocate this museum in Heber City might be worth seeing into.

Ed also reported on the estimated amount of money needed for repair on the track at \$5,000.00. This included repair work on bridges, crossing signs, ect. The Heber Depot and yard also needs a general renovation. The estimate on this was \$12,000.00, but this amount was thought to be too small.

Del Wallengren reported on a study on Vivian Park for land acquisition and a possible terminal. His studies to this date noted that it does not deserve land acquisition options.

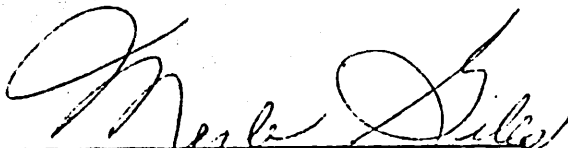
- \* The motion was made that all stockholders who have not paid their pledges must have an interest bearing note with the Operating Company in the possession of Harold Call, or have paid their money within 10 days from 3-13-71. Leon Ritchie moved that the motion be passed and Del Wallengren seconded, all approve.

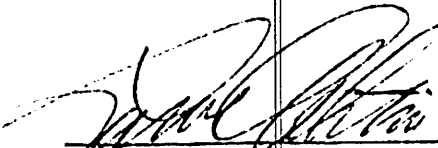
Lowe mentioned the fact that the railroad was on his land and for economic purposed the stockholders should decide how much they should pay for the use of the land. This was to be discussed in more detail at the general stockholders meeting in April and a motion to be made at that time.

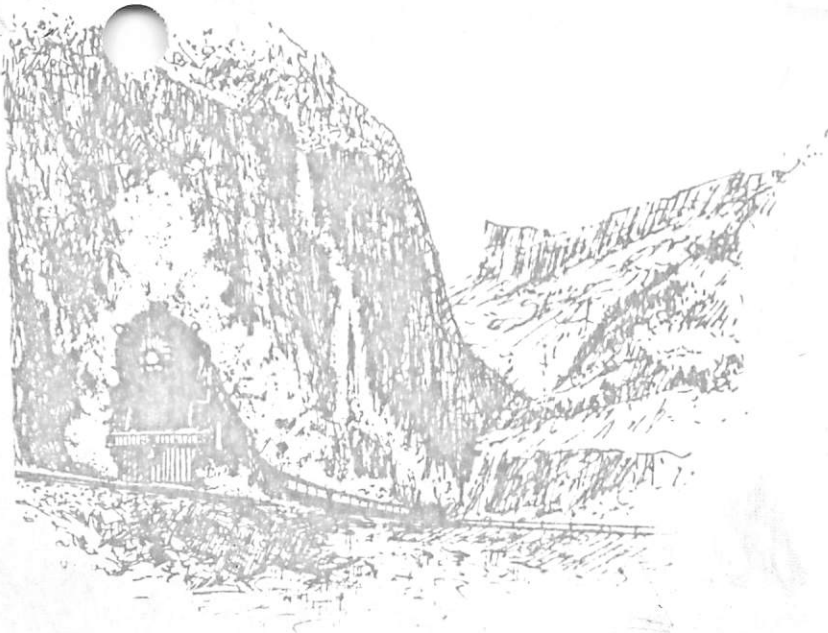
A long discussion on financial projection and all agreed that it was probably conservative. The Operating Company would possibly need additional money before the public stock issue is ready. Alternative methods of acquiring money without changing ownership equity of original stockholders was discussed.

- \* The motion was made that we investigate the possibility of obtaining a corporate loan for \$20,000.00 with the 10 primary stockholders signing. The stockholders would be individually responsible on the loan limited to the % of stock that they now own in the company. If the loan is not possible, the president will contact the individual members and suggest an increase of each stockholder for a given % increase. The motion was moved by Del Wallengren, seconded by Dr. Jack Boggess, all approve.

The meeting was adjourned.

  
Minutes taken by:

  
President



## WASATCH MOUNTAIN RAILWAY & DEVELOPMENT COMPANY

P. O. BOX 69 HEBER CITY, UTAH, 84032

February 15, 1971

Mr. Stan Collins  
President  
Provo Chamber of Commerce  
Provo, Utah

Dear Stan,

I am enclosing a copy of a letter to Mr. Murdock of the Provo City Council, asking for their help with the Utah Legislature. Reason: He was raised in Heber Valley, and stated support for the railroad project at the highway meeting in Heber City last Thursday, while at the same time endorsing the unanimous opinion of Provo City for the new highway.

I sincerely hope your Chamber could also support our motion, going on record and notifying both Provo City, the Utah Legislature and the Governor. If need be, we would be happy to come to Provo and appear before your board and answer any questions they might ask.


I do think this is the answer for this portion of Provo Canyon at least, and if you personally have any questions, call me, or we'll come down. We have been asked to appear on TV at BYU Wednesday night at 7:30, a panel discussion with a member of the Highway Department and probably Mr. Firmage.

I have some thoughts about that program that I would like to discuss with you or some member of your group, prior to the meeting.

Very truly yours,

  
Lowe Ashton

LA:mg

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